



the dti

Department:
Trade and Industry
REPUBLIC OF SOUTH AFRICA



investSA

ONE-STOP SHOP

an initiative of **the dti**

South African Aerospace and Defence Industry, A Key Strategic Sector for Industrialisation

The South African Government has identified Aerospace and Defence as one of seven industry sectors that have the greatest impact on the manufacturing industry and capability in South Africa. The South African aerospace and defence industry has successfully entered the global market through its exports, global partnerships with many of the world's leading aerospace original equipment manufacturers (OEMs) and integration into global supply chains. The SADI's capabilities range from systems engineering and integration, to the design, development, manufacture and maintenance of complex systems and their related electronics. The South African aerospace and defence industry showed an export propensity of between 60% to 64% from 2010 to 2015. Its innovation index stood at 0.71 in 2015, whilst the total workforce employed by the industry stood at approx. 15 000.

the dti's Industrial Policy Action Plan for the sector seeks to establish the South African Commercial Aviation Framework and Implementation Plan

Nature and Purpose of the Intervention;

The SA aviation sector is an established sector, already exporting hi-tech parts and components to leading international OEMs and Tier 1 and 2 companies to the value of R3 bn per annum. It has a strong and global International order book, at approximately 2,000 airplanes per year for the next 19 years.

The sector has a potential to further support economic development and industrialisation by means of exports, R&D and localisation of selected bought-in technologies and processes.

This potential can be realised by establishing new technologies and processes; creating a conducive environment; and partnering with global companies to spread R&D costs and expand the client base.

The Intervention is intended to significantly boost SA commercial aviation manufacturing exports through the application of an integrated Industry Growth Plan – and achieve this by growing the country's aerospace capabilities in support of future-orientated competitiveness.

The purposes of the intervention are the following:

- Doubling of the sector's manufactured exports over a period of five years as well as the localisation of imports of components (including manufactured goods required for the servicing and overhauling of airplanes);
- Growing sector employment by approximately 60% in high-tech jobs from the current base;
- Transformation of various aspects of the sector, including ownership, skills- and supplier development, with a particular emphasis on black industrialists;
- Establishing the necessary conditions to create and maintain process and product qualifications and certifications to international criteria

InvestSA is a division of the dti, providing a one stop-shop service to international and domestic investors.

InvestSA actively markets, promotes and facilitates investment in key high yielding growth sectors of the South African Economy.

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GOVERNMENT ENTITIES